



SURFACE TRANSPORTATION BOARD

[Docket No. MCF 21097]

Van Pool Transportation LLC—Acquisition of Control—Easton Coach Company, LLC

AGENCY: Surface Transportation Board.

ACTION: Notice Tentatively Approving and Authorizing Finance Transaction.

SUMMARY: Van Pool Transportation LLC (Van Pool) has filed an application to acquire control of Easton Coach Company, LLC (Easton), a regulated interstate motor carrier, from ECC Holding Company, Inc. (ECC), a noncarrier. The Board is tentatively approving and authorizing the transaction, and, if no opposing comments are timely filed, this notice will be the final Board action.

DATES: Comments must be filed by September 27, 2021. If any comments are filed, Applicant may file a reply by October 11, 2021. If no opposing comments are filed by September 27, 2021, this notice shall be effective on September 28, 2021.

ADDRESSES: Comments should be filed with the Surface Transportation Board via e-filing on the Board's website. In addition, one copy of any comments must be sent to Applicant's representative: Andrew K. Light, Scopelitis, Garvin, Light, Hanson & Feary, P.C., 10 W. Market Street, Suite 1400, Indianapolis, IN 46204.

FOR FURTHER INFORMATION CONTACT: Amy Ziehm at (202) 245-0391.

Assistance for the hearing impaired is available through the Federal Relay Service at (800) 877-8339.

SUPPLEMENTARY INFORMATION: According to the application,¹ Van Pool is a Delaware limited liability company that is headquartered in Wilbraham, Mass.² (Appl. 2.) Van Pool currently owns and operates three passenger motor carriers that hold interstate passenger motor carrier authority through the Federal Motor Carrier Safety Administration (FMCSA):

- NRT Bus, Inc. (NRT), which primarily provides non-regulated student school bus transportation services in the Commonwealth of Massachusetts and occasional passenger charter services to the public;
- Trombly Motor Coach Service, Inc. (Trombly), which primarily provides non-regulated student school bus transportation services in the Commonwealth of Massachusetts and occasional passenger charter services to the public; and
- Salter Transportation, Inc. (Salter), which primarily provides non-regulated student school bus transportation services in New Hampshire and the Commonwealth of Massachusetts, and occasional passenger charter services to the public. (Id. at 3-5.)³

¹ On June 30, 2021, counsel for Van Pool filed an unverified letter correcting an error in the application regarding one of the related motor carriers' U.S. Department of Transportation (USDOT) safety and fitness ratings. Then, on July 12, 2021, Van Pool submitted the required verification for the statements in the June 30, 2021 letter, pursuant to 49 CFR 1182.2(c). Therefore, the filing date of the application for purposes of calculating the procedural and statutory deadlines is July 12, 2021. See 49 CFR 1182.4(a).

² Further information about Applicant's corporate structure and ownership can be found in the Application. (See Appl. 7-8; id. at Ex. B.)

³ Van Pool currently has two applications pending before the Board seeking authority, after-the-fact, to own and control NRT, Trombly, and Salter. See Appl., May 4, 2021, Van Pool Transp. LLC—Acquis. of Control—NRT Bus, Inc., MCF 21095; Appl., May 4, 2021, Van Pool Transp. LLC—Acquis. of Control—Salter Transp. Inc., MCF 21096.

Additional information about these motor carriers, including USDOT numbers, motor carrier numbers, and USDOT safety and fitness ratings can be found in the application and the corrected Exhibit A to the letter filed by counsel on June 30, 2021. (See Appl. 3-5; Corr. Ex. A, Letter from Gregory Ostendorf to Cynthia Brown, June 30, 2021, Docket No. MCF 21097.) In the application, Van Pool and counsel represented to

As a result of the transaction, Van Pool will acquire all issued and outstanding equity interest in Easton from ECC, a Delaware corporation that does not own or control any other interstate passenger motor carrier. (Id. at 5, 7.) According to Van Pool, Easton is a Delaware limited liability company that provides intrastate paratransit, shuttle, and line-run services pursuant to contracts with regional transportation authorities and other organizations in, primarily, New Jersey and eastern Pennsylvania. (Id. at 6.) It also provides private charter motor coach services, including coach and shuttle ground transportation services for passengers, primarily in eastern Pennsylvania. (Id.) Van Pool represents that Easton has approximately 750 passenger-carrying vehicles, including 21 motor coaches, and it utilizes approximately 800 drivers. (Id.) The geographic areas served by Easton do not overlap with the geographic areas serviced by NRT, Trombly, and Salter. (Id.)

Van Pool states that it intends to maintain and continue the services provided by Easton to the public. (Id. at 9.) It expects that the transaction will result in improved operating efficiencies, increased equipment utilization rates, and costs savings, all of which will help ensure the provision of adequate service to the public. (Id.)

Under 49 U.S.C. 14303(b), the Board must approve and authorize a transaction that it finds consistent with the public interest, taking into consideration at least: (1) the effect of the proposed transaction on the adequacy of transportation to the public, (2) total fixed charges that result from the proposed transaction, and (3) the interest of affected carrier employees. Van Pool has submitted the information required by 49 CFR 1182.2, including information to demonstrate that the transaction is consistent with the public

the Board that Salter had a “Satisfactory” USDOT safety and fitness rating. That statement was incorrect. (See Corr. Ex. A, Letter from Gregory Ostendorf to Cynthia Brown.) Salter does not have a USDOT safety and fitness rating. (Id.) Van Pool and its counsel should take greater care in future proceedings before the Board to avoid incorrect representations of matters of fact.

interest under 49 U.S.C. 14303(b), see 49 CFR 1182.2(a)(7), and a jurisdictional statement under 49 U.S.C. 14303(g) that the aggregate gross operating revenues of the involved carriers exceeded \$2 million during the 12-month period immediately preceding the filing of the application, see 49 CFR 1182.2(a)(5). (See Appl. 7-13.)

Van Pool asserts that the transaction will not have a material, detrimental impact on the adequacy of transportation services currently available to the public. (Id. at 9.) Van Pool intends that the services provided by Easton currently available to the public will be maintained and that Easton will continue to operate under the same name, just within the holdings of Van Pool. (Id.) Van Pool further represents that it is experienced in the same market segments served by Easton—intrastate paratransit, shuttle, and line-run services—and, because of Van Pool’s passenger carrier management capacity, the transaction is expected to result in improved operating efficiencies, increased equipment utilization rates, and cost savings. (Id.) Thus, Van Pool states, the transaction will help ensure the provision of adequate transportation services to the public. (Id. at 9-10.)

Van Pool claims that neither competition nor the public interest will be adversely affected by the proposed transaction. (Id. at 11-12.) Van Pool states that while demand for interstate passenger motor carriers has been reduced as a result for the COVID-19 pandemic, as the public health situation continues to improve, Van Pool expects that demand for Easton’s services will increase. (Id. at 12.) And, according to Van Pool, competition for such services is strong; Easton competes directly with other passenger charter services, including J&J Luxury Transportation, Hagey Coach & Tours, Martz Bus, Perkiomen Travel & Tours, and Trans-Bridge Lines. (Id.) In addition, Van Pool asserts that all charter service providers, including Easton, also compete with “other modes of passenger transportation, including rail, low-cost airlines, and passenger transportation network companies.” (Id.) Van Pool also states that Easton does not compete with any of the other three passenger motor carriers owned by Van Pool because

“there is virtually no overlap in the service areas and/or customer bases among [NRT, Trombly, and Salter] and Easton in that regard.” (Id.)

Van Pool states that although the transaction will increase fixed charges in the form of interest expenses, the increase will not impact the provision of transportation services to the public. (Id. at 10.)

Finally, Van Pool asserts that the transaction will not have a substantial impact on employees or labor conditions because it intends to continue the existing operations of Easton. (Id.) Van Pool states that staffing redundancies, though, could potentially result in limited downsizing of back-office and/or managerial level personnel. (Id.)

The Board finds that the acquisition as described in the application, as supplemented, is consistent with the public interest and should be tentatively approved and authorized. If any opposing comments are timely filed, these findings will be deemed vacated, and, if a final decision cannot be made on the record as developed, a procedural schedule will be adopted to reconsider the application. See 49 CFR 1182.6. If no opposing comments are filed by the expiration of the comment period, this notice will take effect automatically and will be the final Board action.

This action is categorically excluded from environmental review under 49 CFR 1105.6(c).

Board decisions and notices are available at www.stb.gov.

It is ordered:

1. The transaction is approved and authorized, subject to the filing of opposing comments.
2. If opposing comments are timely filed, the findings made in this notice will be deemed vacated.

3. This notice will be effective September 28, 2021, unless opposing comments are filed by September 27, 2021. If any comments are filed, Applicant may file a reply by October 11, 2021.

4. A copy of this notice will be served on: (1) the U.S. Department of Transportation, Federal Motor Carrier Safety Administration, 1200 New Jersey Avenue, S.E., Washington, DC 20590; (2) the U.S. Department of Justice, Antitrust Division, 10th Street & Pennsylvania Avenue, N.W., Washington, DC 20530; and (3) the U.S. Department of Transportation, Office of General Counsel, 1200 New Jersey Avenue, S.E., Washington, DC 20590.

Decided: August 5, 2021.

By the Board, Board Members Begeman, Fuchs, Oberman, Primus, and Schultz.

Jeffrey Herzig,

Clearance Clerk.

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